

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF) CASE NO. 2012-00288
KIRKSVILLE WATER ASSOCIATION)

ORDER

On July 2, 2012, Kirksville Water Association ("Kirksville") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

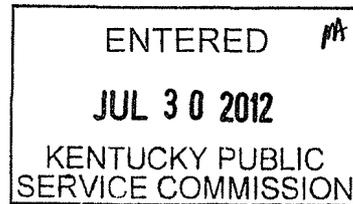
1. Kirksville purchases water from Richmond Utilities ("Richmond").
2. On July 1, 2012, Richmond increased its wholesale water rate to Kirksville from \$2.17 per 100 cubic feet to \$2.24 per 100 cubic feet.
3. During the 12 months ending April 31, 2012, Kirksville purchased a total of 13,595,301 cubic feet (101,692,848 gallons) of water and sold 93,092,862 gallons. The increase in the cost of purchased water is \$9,516.71, resulting in a purchased water adjustment factor of \$0.10 per 1,000 gallons.
4. The purchased water adjustment factor of \$0.10 per 1,000 gallons is fair, just, and reasonable and should be approved.
5. Kirksville's proposed rates are fair, just, and reasonable.

¹ KRS 278.012; 807 KAR 5:068.

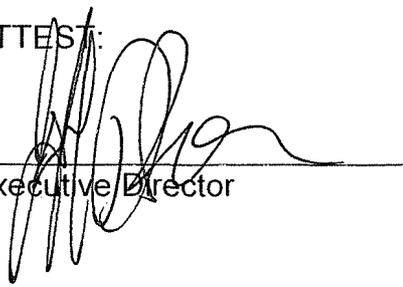
IT IS THEREFORE ORDERED that:

1. The rates proposed by Kirksville are approved.
2. The purchased water adjustment factor of \$0.10 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are fair, just, and reasonable and are approved for service rendered on and after July 1, 2012.
4. Kirksville's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00288 DATED JUL 30 2012

Conversion of gallons to cubic feet

101,692,848 gallons / 7.48 = 13,595,301 cubic feet

	New Rate	Base Rate
Purchases in Cubic feet	13,595,301	13,595,301
Volumetric rate	<u>\$ 2.24 / 100</u>	<u>\$ 2.17 / 100</u>
	\$ 304,534.74	\$ 295,018.03
		Increased water cost \$9,516.71

Increased water cost	\$ 9,516.71
Divided by gallons sold / 1,000	<u>93,092,862</u>
Purchased water adjustment factor	\$0.10 per 1,000

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00288 DATED JUL 30 2012

The following rates and charges are prescribed for the customers in the area served by Kirksville Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES AND CHARGES

Monthly Water Rates- Kirksville Water Association

First	2,000 gallons	\$ 17.16	Minimum Bill
Next	3,000 gallons	8.26	per 1,000 gallons
Next	5,000 gallons	6.92	per 1,000 gallons
Over	10,000 gallons	5.81	per 1,000 gallons

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